AON CORP Form 4 August 17, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

Check this box

if no longer subject to Section 16. Form 4 or

Form 5 obligations

may continue. See Instruction

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1(b).

(Last)

(City)

1. Name and Address of Reporting Person * RYAN PATRICK G

(Middle)

AON CORP [AOC]

C/O AON CORPORATE LAW

DEPARTMENT, 8TH FLOOR, 200 EAST RANDOLPH DRIVE

(First)

(Street)

(State)

CHICAGO, IL 60601

2. Issuer Name and Ticker or Trading

Symbol

3. Date of Earliest Transaction

(Month/Day/Year) 08/15/2007

4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to

OMB

Number:

Expires:

response...

Estimated average

burden hours per

OMB APPROVAL

3235-0287

January 31,

2005

0.5

Issuer

(Check all applicable)

_X__ Director 10% Owner X_ Officer (give title Other (specify below)

Executive Chairman

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of 2. Transaction Date 2A. Deemed Security (Instr. 3)

(Month/Day/Year) Execution Date, if

(Zip)

3. Code (Month/Day/Year) (Instr. 8)

4. Securities TransactionAcquired (A) or Disposed of (D) (Instr. 3, 4 and 5) 5. Amount of Securities Beneficially Owned Following Reported

6. Ownership Form: Direct (I) (Instr. 4)

7. Nature of Indirect (D) or Indirect Beneficial Ownership (Instr. 4)

Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

(A)

or

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Conversion

3. Transaction Date 3A. Deemed

5. Number of (Month/Day/Year) Execution Date, if TransactionDerivative Securities 6. Date Exercisable and **Expiration Date**

7. Title and Am Underlying Sec

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Security (Instr. 3)	or Exercise Price of Derivative		any (Month/Day/Year)	Code (Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)	
	Security			Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	A N Sl
Employee Stock Options (Right to Buy)	\$ 30.7813	08/15/2007		D		300,000	(1)(2)	11/16/2010	Common Stock	3
Employee Stock Options (Right to Buy)	\$ 31.9375	08/15/2007		A	300,000		(1)(2)	11/16/2010	Common Stock	3
Employee Stock Options (Right to Buy)	\$ 36.875	08/15/2007		D		250,000	(3)(4)	04/22/2012	Common Stock	2
Employee Stock Options (Right to Buy)	\$ 39.25	08/15/2007		A	250,000		(3)(4)	04/22/2012	Common Stock	2

Reporting Owners

Reporting Owner Name / Address	Relationships					
·	Director	10% Owner	Officer	Other		
RYAN PATRICK G C/O AON CORPORATE LAW DEPARTMENT 8TH FLOOR, 200 EAST RANDOLPH DRIVE CHICAGO, IL 60601	X		Executive Chairman			

Signatures

/s/ Jennifer L. Kraft, pursuant to a Power of Attorney from Patrick G.

Ryan

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) In a Form 4 filed in December 2000, the reporting person reported that, on November 16, 2000, he was granted an employee stock option covering 300,000 shares of common stock, having an exercise price of \$30.7813 per share and vesting in three annual installments beginning on November 16, 2002. Following a review of the issuer's stock option award practices, it was determined that the exercise

Reporting Owners 2

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price for this option should be adjusted to \$31.9375 per share to reflect the fair market value of the issuer's common stock on the accounting measurement date. As a result, the reporting person and the issuer agreed to amend the option to provide that the option will have an exercise price of \$31.9375 per share.

- All other terms and conditions of the option award remain the same, including the vesting schedule described above. The amendment is reported in this Form 4 as a cancellation of the original option and the grant of a replacement option. For additional information, please see the issuer's Current Report on Form 8-K, filed with the Commission on August 15, 2007.
 - In a Form 5 filed in February 2003, the reporting person reported that, on April 22, 2002, he was granted an employee stock option covering 250,000 shares of common stock, having an exercise price of \$36.875 per share and vesting in three annual installments
- (3) beginning on April 22, 2004. Following a review of the issuer's stock option award practices, it was determined that the exercise price for this option should be adjusted to \$39.250 per share to reflect the fair market value of the issuer's common stock on the accounting measurement date. As a result, the reporting person and the issuer agreed to amend the option to provide that the option will have an exercise price of \$39.250 per share.
- All other terms and conditions of the option award remain the same, including the vesting schedule described above. The amendment is reported in this Form 4 as a cancellation of the original option and the grant of a replacement option. For additional information, please see the issuer's Current Report on Form 8-K, filed with the Commission on August 15, 2007.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.